



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, DC

Issued by the Department of Transportation on August 19, 1999

NOTICE OF ACTION TAKEN—DOCKET OST 99-6044

***CORRECTED NOTICE**

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Application of **United Parcel Service Co.** filed **7/30/99** for:

XX Exemption under 49 U.S.C. 40109 to:

Integrate its existing authority to provide scheduled foreign air transportation of property and mail under its certificates of public convenience and necessity for Route 665 (U.S. – Canada), Route 569 (various U.S points – Mexico), Route 581 (U.S. – Japan) and Route 557 (U.S. – various points worldwide) and under its currently held exemptions, and any certificate or exemption authority it may be granted in the future, so as to permit foreign air transportation services involving any points named on the above certificates and exemptions.

Applicant rep: **David L. Vaughan (202) 955-9600** DOT Analyst: **Sylvia Moore (202) 366-6519**

DISPOSITION

XX **Granted in part** (subject to conditions, see below)

XX **Balance dismissed** (see below)

The above action was effective when taken: **August 17, 1999,** through **August 17, 2001**

Action taken by: Paul L. Gretch, Director
Office of International Aviation

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated: **XX** **Holder's Certificate of Public Convenience and Necessity**
XX **Standard Exemption Conditions (attached)**

Conditions: The route integration authority granted is subject to the condition that any service provided under this exemption shall be consistent with all applicable agreements between the United States and the foreign countries involved. Furthermore, (a) nothing in award of the route integration authority requested should be construed as conferring upon United Parcel Service rights (including fifth-freedom intermediate and/or beyond rights) to serve markets where U.S. carrier entry is limited unless United Parcel Service

(See Reverse Side)

***Corrects Notice of Action Taken dated August 17, 1999, to reflect that the integration authority granted is for all-cargo operations.**

notifies us of its intent to serve such a market and unless and until the Department has completed any necessary carrier selection procedures to determine which carrier(s) should be authorized to exercise such rights; and (b) should there be a request by any carrier to use the limited-entry route rights that are included in United Parcel Service's authority by virtue of the route integration exemption granted here, but that are not then being used by United Parcel Service, the holding of such authority by route integration will not be considered as providing any preference for United Parcel Service in a competitive carrier selection proceeding to determine which carrier(s) should be entitled to use the authority at issue.

Dismissal: We dismissed the carrier's request for route integration authority with respect to future certificate/exemption authority. When faced previously with comparable requests, we decided not to grant open route integration authority on a prospective basis (see, for example, Order 98-7-21, Docket OST-98-3860 and Notice of Action Taken dated November 25, 1998, Docket OST-98-4788), and UPS has provided no persuasive basis for us to deviate from that result here.

On the basis of data officially noticeable under Rule 24(n) of the Department's regulations, we found the applicant qualified to provide the services authorized.

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) immediate action was required and was consistent with Department policy; (2) grant of the exemption was consistent with the public interest, and (3) grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. To the extent not granted or dismissed, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within ten (10) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

*An electronic version of this document is available on the World Wide Web at:
http://dms.dot.gov/reports/reports_aviation.asp*